Introduced by Assembly Member Blakeslee

October 27, 2009

An act to add Division 13.6 (commencing with Section 21200) to the Public Resources Code, relating to the environment, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2, as introduced, Blakeslee. Environment: environmental mitigation.

The California Environmental Quality Act (CEQA) requires a lead agency to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project, as defined, that it proposes to carry out or approve that may have a significant effect on the environment, as defined, or to adopt a negative declaration if it finds that the project will not have that effect.

This bill would establish the Regional Environmental Mitigation Program and would specify that the purpose of the program is to improve the success, efficiency, and effectiveness of actions implemented to mitigate the natural resource impacts of projects, by establishing the means to implement those actions on a regional basis. The bill would establish the program in the Natural Resources Agency and would require the agency to consider and implement mitigation requirements on a regional basis for projects that require mitigation based on federal, state, or local laws. The bill would require the agency to communicate, coordinate, and work with specified entities. The bill would permit the agency to engage in specified activities in order to implement the program. The bill would specify that a project that requires mitigation

 $AB 2 \qquad \qquad -2 -$

under other provisions of law may, but is not required to, participate in the program.

The bill would establish the Regional Environmental Mitigation Account in the State Treasury. The bill would require the account to accept fees collected for the mitigation requirements for projects and disburse the funds for projects that fulfill mitigation requirements. The bill would require the agency to establish guidelines for the calculation, acceptance, and use of the fees. The bill would require the money in the account to be continuously appropriated and to be used to administer and implement the program and for any purpose associated with the mitigation of a project, including protection, restoration, enhancement, monitoring, capital improvements, as fencing, long-term management or defense, transaction costs, and administration.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Division 13.6 (commencing with Section 21200) is added to the Public Resources Code, to read:

DIVISION 13.6. REGIONAL ENVIRONMENTAL MITIGATION PROGRAM

21200. This division shall be known, and may be cited, as the Regional Environmental Mitigation Program.

21201. The purpose of this division is to improve the success, efficiency, and effectiveness of actions implemented to mitigate the natural resource impacts of projects by establishing the means to implement those actions on a regional basis.

21202. The Legislature finds and declares all of the following:

- (a) Water, infrastructure, and other development projects may require the mitigation of any adverse impact upon natural resources caused by the development of a project or facility and required pursuant to federal, state, or local laws, including those required under the California Environmental Quality Act (Division 13 (commencing with Section 21000)).
- (b) The mitigation of environmental impacts is usually handled on an individual project basis and without coordination with, or reference to, regional or statewide conservation priorities.

-3- AB 2

(c) This approach to mitigation results in unconnected projects, decreased biological viability, increased long-term management costs, and lost opportunities for meeting regional or statewide conservation goals.

- (d) To the extent feasible and appropriate to the impacted natural resources, encouraging and directing mitigation projects to areas identified as regional priorities will result in improved mitigation, better conservation outcomes, improved management efficiencies, and achievement of regional and statewide conservation goals.
- 21203. (a) The Regional Environmental Mitigation Program is established in the Natural Resources Agency. The agency shall consider and implement mitigation requirements on a regional basis for projects that require mitigation based on federal, state, or local laws.
- (b) In implementing the program, the agency shall communicate, coordinate, and work with the Department of Water Resources, the Wildlife Conservation Board, the Department of Fish and Game, the Department of Conservation, state conservancies, other appropriate federal, state, or local governments or special districts, or nonprofit organizations described in Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Sec. 501(c)(3)) that are exempt from taxation under Section 501(a) of the Internal Revenue Code (26 U.S.C. Sec. 501(a)), and that have among their purposes the conservation of natural or cultural resources.
- (c) In implementing the program, the agency may engage in the following activities:
- (1) Execute an agreement, a memorandum of understanding, or other similar instrument to memorialize its understanding of any communication, coordination, or implementation activities with other governmental agencies or nonprofit organizations for the purpose of meeting mitigation requirements on a regional basis.
- (2) Identify priority areas within regions for mitigation purposes, using information from the entities identified in this subdivision as well as from other sources. Existing public lands and lands held by nonprofit organizations for conservation purposes shall be considered in the identification of priority areas.
- (3) Make information available about priority areas for mitigation and other related topics available to government agencies, nonprofit organizations, project proponents, and others

AB 2 —4—

for use in coordinating, collaborating, creating, prioritizing, or directing mitigation projects on a regional basis.

- (4) Direct mitigation projects toward priority areas identified for mitigation pursuant to this subdivision, and authorize state agencies and departments to direct mitigation projects toward the priority areas identified for mitigation pursuant to this subdivision.
- (5) Direct projects and funds to existing conservation programs of the agencies and departments identified in this subdivision or award grants or contracts to other entities identified in this subdivision to implement the mitigation requirements of projects on a regional basis.
- (6) Accept mitigation fees to meet the mitigation requirements of a project for deposit into the Regional Environmental Mitigation Account created pursuant to the requirements of Section 21204.
- (d) This division is not intended to create a new environmental permitting or regulatory program or to modify existing environmental laws or regulations. The division is also not intended to interfere with, or prevent the existing authority of, an agency or department to carry out its programs, projects, or responsibilities to identify, review, approve, deny, or implement any mitigation requirements.
- (e) A project that requires mitigation under other provisions of law may, but is not required to, participate in the program.
- 21204. (a) The Regional Environmental Mitigation Account is hereby created in the State Treasury.
- (b) The account shall accept fees collected for the mitigation requirements of projects under the program and disburse the funds to the projects that fulfill the mitigation requirements.
- (c) Before accepting any fees, the Natural Resources Agency shall establish guidelines for the calculation, acceptance, and use of the fees. The guidelines shall give priority to the use of fees for existing conservation programs of the agencies and departments, the purchase of mitigation credits at mitigation or conservation banks, or for the payment of mitigation fees within established mitigation programs. All fees accepted shall be based on a calculation of the full costs of implementing the required mitigation project.
- (d) Notwithstanding Section 13340 of the Government Code, the money in the Regional Environmental Mitigation Account is hereby continuously appropriated to ensure that mitigation

5 AB 2

requirements are met in a timely and efficient manner and that projects are not delayed. The money in the account shall be used for the following activities:

- (1) To administer and implement the program. No more than 3 percent of the funds deposited into the account may be utilized for administrative costs for the program.
- (2) For any purpose associated with the mitigation of a project, including protection, restoration, enhancement, monitoring, capital improvements, as fencing, long-term management or defense, transaction costs, and administration.
- 11 (e) Fees shall be used within a timely manner so that the 12 mitigation purposes are realized and the public benefits ensured. 13 The agency shall use its best efforts to expend the funds within 18 14 months of acceptance.

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